


Relocation Expenses

	Louisiana Department of Health (LDH)	
	Policy Number	37.2
	Content	Policy and Procedures for Payment of Relocation Expenses for Transferred and Newly Hired Employees
	Effective Date	January 8, 2019
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If there is a discrepancy between an LDH Policy and a Program Office or facility policy, the LDH policy shall govern/override/supersede the conflicting section within the Program Office or facility policy.

I. STATEMENT OF POLICY

It is the policy of the Louisiana Department of Health (LDH) to reimburse and/or pay certain reasonable and necessary relocation expenses arising from the transfer of certain full-time employees or from the hiring of certain new employees, provided the relocation takes place within a reasonable period not to exceed six (6) months from the effective date of the transfer or hire. Benefits are limited to those described within this policy.

II. APPROVALS

No LDH employee shall approve, authorize, or commit reimbursement and/or payment of relocation expenses until prior **written** approval has been granted as specified below:

- A. The Undersecretary or the Assistant Secretary of the receiving office may approve expenses incurred for transferred or newly hired employees when the relocation is from a point in Louisiana to another point in Louisiana up to the limits as described in Section VII-C-1 of this policy.
- B. Only the Secretary or Deputy Secretary, upon the recommendation of the Undersecretary/Assistant Secretary of the receiving office, may approve expenses

incurred for transferred or newly hired employees when the relocation is from a point outside Louisiana to a point inside Louisiana.

III. PURPOSE

The purpose of this policy is to provide a way to help improve the Department's personnel recruiting and placement program by:

- A. Permitting the Department to promote or reassign key personnel into high impact positions where deemed necessary to increase efficiency and improve services.
- B. Enhancing the placement of qualified persons in "hard to fill" or high impact (critical) positions which could not otherwise be filled without paying the relocation expenses.
- C. Attracting and placing better qualified and more desirable employees/persons in highly professional and administrative positions and in those requiring exceptional skills.
- D. Helping fill those vacancies in the remote and out-of-the-way areas.

IV. APPLICABILITY AND COVERAGE

This policy shall apply to all LDH Offices and shall cover all persons who meet the provisions thereby without regard to religion, race or national origin, sex, age, handicap, or any other non-merit factors.

V. COVERED POSITIONS

The following positions are covered under this policy:

- A. Secretary
- B. Deputy Secretary
- C. Undersecretary
- D. Assistant Secretary
- E. Facility Administrator
- F. Facility Medical Director
- G. Principal assistants to the above (A-F)
- H. Exceptions

At the discretion of the Secretary/Deputy Secretary, and upon the recommendation of either the receiving Assistant Secretary or the Undersecretary, the provisions of this policy may be extended to the following positions:

1. Major Administrative Director

2. Physicians
3. Major Program Administrator
4. Positions in rural or remote locations which may necessitate filling from outside the location.

VI. ELIGIBILITY

- A. Subject to the judgment of the Undersecretary or Assistant Secretary of the gaining office, the provisions of this policy will apply when the relocation necessitates a change in residence of an in-house employee and his family, or a newly hired employee and his family, and when payment of relocation expenses becomes a necessary inducement in filling positions as provided for in this policy. The following criteria may be used to determine whether or not relocation expenses should be paid by the Department:
 1. The labor market does not have any available persons who meet the qualifications for the position.
 2. Salaries for our positions are not competitive to the labor market and do not attract persons.
 3. The difference in the pay increase for a person to transfer or relocate from his present salary is not sufficient enough to justify the move, and it takes too long a period of time to recover the relocating expenses.
- B. Within the context of this policy, the employee's "family" shall include the spouse and dependent members of the employee's immediate family who currently reside with the employee and will continue to do so at the new location.
- C. Guides to determine whether or not positions meet the criteria shown in A above are as follows:
 1. A review of the common labor market of hiring into high impact positions indicates or shows that competitive employers have put into practice the paying of moving expenses.
 2. Civil Service cannot produce any names.
 3. Our proven and tried recruiting efforts have failed, as well as those of the employing office.
 4. A special entrance rate of pay was authorized and granted, but it failed to attract qualified and desirable persons.
- D. Authorization and Delegation of Responsibility

It is the responsibility of the Secretary/Deputy Secretary to interpret and administer the provisions of this policy.

Local day-to-day administration of the policy will be the responsibility of the appropriate Assistant Secretary or the Undersecretary.

VII. RELOCATION BENEFITS

The Department will pay relocation benefits as described below:

A. Travel Expenses

Travel expenses shall be paid in accordance with PPM49. Any exceptions, such as payment of travel allowances for the employee's spouse or dependents, shall be requested in writing through the Office of the Secretary to the Commissioner of Administration.

B. Moving Expenses

1. The Department will pay for the packing, moving and unpacking of all household goods and personal effects authorized for shipment by the mover. These expenses include charges for the mover's normal appliance service at point of origin and point of destination.
2. The Department will not be responsible for those items which the mover may accept with reservation and at the sole risk of the employee, nor for the cost of any special services requested of the mover, including overtime.
3. When required, in-transit storage expenses will be paid for a period not to exceed thirty (30) days.
4. Insurance: In-transit insurance on household goods and personal effects in an amount not to exceed \$1.25 per pound will be paid by the Department. Any need for special insurance coverage for the transport by an authorized carrier of highly valued goods or collections must be approved in advance by the Secretary.

C. Department Limitations

Moving expenses, as provided for in this policy, shall be paid by the receiving office, subject to the following limitations:

1. Up to \$2,500 (exclusive of Travel reimbursement) for transferred or newly hired employees when relocating from a point in Louisiana to another point in Louisiana.
2. Up to \$4,000 (exclusive of Travel reimbursement) for transferred or newly hired employees when relocating from a point outside Louisiana to a point inside Louisiana.

- D. The Department will assume no liability for any loss incurred by the employee in the disposal of the old location home (including, but not limited to, lease cancellation) nor for any expenses incurred in the acquisition of a home at the new location.

VIII. Under the Internal Revenue Code, certain relocation reimbursements made by the Department may be considered to be taxable compensation paid to the employee and must be recorded for income tax purposes. By accepting relocation reimbursements from the Department, the existing or new employee expressly acknowledges and accepts responsibility for any and all additional tax liability incurred as a result of their receipt and acceptance of relocation reimbursements which may be treated as taxable compensation under the Internal Revenue Code or any state's tax provisions. Under no circumstances will the Department offset or reimburse employees for any taxes they actually incur or may incur as a result of their acceptance of relocation reimbursements from the Department.

IX. Any employee benefiting from the provisions of this policy shall agree to remain in the position for which relocation benefits were paid for a period of eighteen (18) months. The employee shall agree that if he should terminate his services prior to the expiration of the eighteen (18) month period, he will return to the Department an amount of money proportional to the unexpired period according to the following formula: Eighteen (18) minus the number of months employed, divided by 18, and multiplied by the amount of benefits paid under the Relocation Expenses policy. It is the responsibility of the hiring agency to track dates for all relocation expenses paid to employees and to notify employees who terminate services prior to the expiration of eighteen (18) months of the amount of money the employees must return to the agency.

X. This policy, either in whole or in part, shall not be applicable in any special situation in which the Secretary/Deputy Secretary has deemed it necessary to establish a separate policy or to make modifications applicable to that situation only.

XI. DISCIPLINARY ACTIONS

Any employee who violates this policy may be subject to disciplinary action up to and including dismissal from employment.

XII. REVISION HISTORY

Date	Revision
June 1, 1978	Policy created
July 1, 1991	Policy revised
May 23, 1995	Policy revised
January 8, 2019	Policy revised

